GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:1749
ANSWERED ON:05.12.2005
PACKAGES TO HMT
Khaire Shri Chandrakant Bhaurao;Virendra Kumar Shri

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether some units of Hindustan Machine Tools (HMTs) have fallen sick;

(b) if so, the reasons therefor;;

(c) the number of staff affected thereby;

(d) whether any compensation packages have been announced for the staff of these sick units; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES AND MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF WATER RESOURCES (SHRI SONTOSH MOHAN DEV)

(a) Yes, Sir. The following units of Hindustan Machine Tools have fallen sick:-

(i) HMT Machine Tools Ltd.

(ii) HMT Bearings Ltd.

(iii) HMT Watches Ltd.

(iv) HMT Chinar Watches Ltd.

(v) Praga Tools Ltd.

(b) The principal reasons are: Low productivity due to obsolete plant and machinery and technology gaps, poor order book, shortage of working capital, surplus man power and increase in cost of input.

(c) The total number of staff in the above units are 8050 (approx.).

(d) &(e) Government has asked these companies to formulate revival plans. In case of Praga Tools Limited and HMT Bearings Limited, the Government has recently approved revival plan and provided a package of Rs.214.71 crores Rs.51.37 crores respectively.